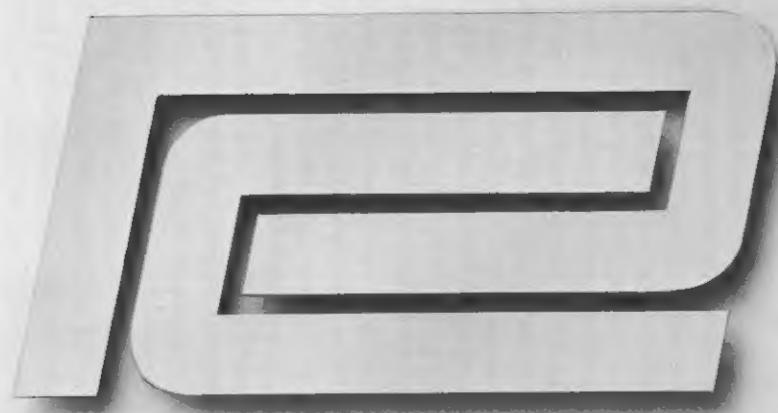


SUPPLEMENT
TO THE PENN CENTRAL
ANNUAL REPORT
1969

STATISTICAL AND FINANCIAL DATA SELECTED COMPANIES



PENN CENTRAL

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PENN CENTRAL TRANSPORTATION COMPANY

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PENN CENTRAL TRANSPORTATION COMPANY

STATEMENT OF INCOME

		Year Ended December 31		Increase or Decrease
		1969	1968	
Railway Operating Revenues	Freight.....	\$1,344,578,468	\$1,249,649,318	I. \$94,929,150
	Passenger.....	147,111,527	105,087,068	I. 42,024,459
	Mail.....	54,489,004	62,334,063	D. 7,845,059
	Express.....	2,825,167	14,569,633	D. 11,744,466
	All other transportation.....	34,183,929	30,383,442	I. 3,800,487
	Incidental.....	61,593,643	47,428,569	I. 14,165,074
	Joint Facility.....	7,196,342	4,618,612	I. 2,577,730
	Total.....	1,651,978,080	1,514,070,705	I. 137,907,375
Railway Operating Expenses	Maintenance of way and structures.....	178,871,415	173,066,224	I. 5,805,191
	Maintenance of equipment.....	268,108,138	254,488,775	I. 13,619,363
	Traffic.....	23,943,548	25,167,253	D. 1,223,705
	Transportation.....	801,489,643	719,791,203	I. 81,698,440
	Miscellaneous Operations.....	11,702,306	10,506,541	I. 1,195,765
	General.....	103,560,890	84,876,203	I. 18,684,687
	Total.....	1,387,675,940	1,267,896,199	I. 119,779,741
Tax Accruals	Net Revenues from Railway Operations.....	264,302,140	246,174,506	I. 18,127,634
	Federal income taxes.....	Cr. 20,805,979	Cr. 18,366,525	D. 2,439,454
	Other railway taxes.....	55,626,085	47,558,183	I. 8,067,902
	Payroll taxes.....	87,014,382	76,850,405	I. 10,163,977
	Total.....	121,834,488	106,042,063	I. 15,792,425
Railway Operating Income	Railway Operating Income.....	142,467,652	140,132,443	I. 2,335,209
Hire of Equipment—Debit Balance	Hire of Equipment—Debit Balance.....	179,578,262	169,612,934	I. 9,965,328
Joint Facility Rents—Debit Balance	Joint Facility Rents—Debit Balance.....	4,224,025	(321,303)	I. 4,545,328
Net Railway Operating Income (Loss)	Net Railway Operating Income (Loss).....	(41,334,635)	(29,159,188)	I. (12,175,447)
Other Income And (Expenses)	Dividend income.....	63,838,271	50,185,269	I. 13,653,002
	Interest income.....	5,147,055	5,420,461	D. 273,406
	Income from non-operating property.....	21,944,730	16,824,471	I. 5,120,259
	Miscellaneous rent income.....	11,561,414	9,961,589	I. 1,599,825
	Profit on sales of property and securities—(net).....	12,586,410	35,436,924	D. 22,850,514
	Miscellaneous tax accruals.....	(1,360,494)	(1,157,071)	I. (203,423)
	Separately operated properties—(net).....	(4,533,704)	(2,954,697)	I. (1,579,007)
	Miscellaneous rents.....	(720,341)	(906,825)	D. (186,484)
	Maintenance of investment organization.....	(1,169,007)	(962,185)	I. (206,822)
	Income from lease of road and equipment.....	266,153	345,395	D. 79,242
	Revenue from miscellaneous operations.....	146,539	273,183	D. 126,644
	Expenses of miscellaneous operations.....	(29,295)	(163,426)	D. (134,131)
	Income transferred to other companies.....	(253,539)	(103,956)	I. (149,583)
	Other.....	519,568	6,907,246	D. 6,387,678
	Total.....	107,943,760	119,106,378	D. 11,162,618
Income Available for Fixed Charges	Income Available for Fixed Charges.....	66,609,125	89,947,190	D. 23,338,065
Fixed Charges	Rent for leased roads and equipment.....	26,173,239	26,314,985	D. 141,746
	Interest on funded debt.....	87,063,545	65,412,484	I. 21,651,061
	Interest on unfunded debt.....	9,303,609	3,046,171	I. 6,257,438
	Amortization of discount on funded debt.....	396,641	328,536	I. 68,105
	Total.....	122,937,034	95,102,176	I. 27,834,858
Ordinary Income (Loss)	Ordinary Income (Loss).....	(56,327,909)	(5,154,986)	I. (51,172,923)
Extraordinary Item—Loss on Investment in Long-haul Passenger Facilities	Extraordinary Item—Loss on Investment in Long-haul Passenger Facilities.....	126,000,000	—	I. 126,000,000
Net Income (Loss)	Net Income (Loss).....	(182,327,909)	(5,154,986)	I. (177,172,923)

STATEMENT OF RETAINED INCOME

	1969	1968
Balance, Beginning of year, as previously reported.....	\$ 730,046,581	\$ 788,219,626
Prior period adjustment.....	(8,817,778)	(6,435,479)
Adjusted balance.....	721,228,803	781,784,147
Net income (Loss) for the year.....	(182,327,909)	(5,154,986)
Dividends.....	43,396,217	55,400,358
Balance, end of year.....	495,504,677	721,228,803

See accompanying notes to financial statements.

PENN CENTRAL TRANSPORTATION COMPANY

BALANCE SHEET

ASSETS

	December 31, 1969	December 31, 1968	Increase or Decrease
Current Assets:			
Cash and temporary cash investments.....	\$80,331,477	\$46,915,110	I. \$ 33,416,367
Loans and notes receivable.....	1,495,183	1,812,180	D. 316,997
Net balance receivable from agents and conductors	92,258,004	75,666,810	I. 16,591,194
Miscellaneous accounts receivable.....	58,854,455	44,985,550	I. 13,868,905
Interest and dividends receivable.....	5,019,842	3,836,682	I. 1,183,160
Accrued accounts receivable.....	135,553,420	113,910,273	I. 21,643,147
Working fund advances.....	1,307,879	934,372	I. 373,507
Prepayments.....	6,903,184	1,992,797	I. 4,910,387
Material and supplies.....	89,669,579	79,510,068	I. 10,159,511
Other.....	6,421,902	6,254,514	I. 167,388
Total Current Assets.....	477,814,925	375,818,356	I. 101,996,569
Special Funds:			
Capital funds.....	6,619,024	2,989,727	I. 3,629,297
Insurance and Other Funds.....	13,083,876	22,147,155	D. 9,063,279
Total Special Funds.....	19,702,900	25,136,882	D. 5,433,982
Investments:			
Investments in Affiliated Companies:			
Stocks.....	789,830,688	804,584,699	D. 14,754,011
Bonds.....	31,348,110	26,987,613	I. 4,360,497
Other Secured Obligations.....	7,875,704	1,750,000	I. 6,125,704
Notes.....	12,155,347	2,827,335	I. 9,328,012
Advances.....	254,847,186	312,375,807	D. 57,528,621
Other Investments:			
Stocks.....	16,313,671	32,029,831	D. 15,716,160
Bonds.....	4,454,016	1,067,624	I. 3,386,392
Other Secured Obligations.....	1,154,580	478,714	I. 675,866
Notes.....	1,293,133	10,519,661	D. 9,226,528
Advances.....	63,096	37,849	I. 25,247
Total Investments.....	1,119,335,531	1,192,659,133	D. 73,323,602
New Haven, net assets acquired at cost.....	—	127,544,307	D. 127,544,307
Properties:			
Road and Equipment Property:			
Road.....	1,812,392,583	1,656,136,514	I. 156,256,069
Equipment.....	1,659,228,843	1,741,842,665	D. 82,613,822
Other property accounts.....	Cr. 14,173,342	Cr. 17,651,629	D. 3,478,287
Improvements on Leased Property:			
Road.....	263,695,436	261,196,028	I. 2,499,408
Equipment.....	3,529,793	3,605,702	D. 75,909
Other property accounts.....	4,854,626	4,854,626	—
Total Transportation Property.....	3,729,527,939	3,649,983,906	I. 79,544,033
Accrued depreciation—road.....	Cr. 395,453,673	Cr. 398,905,423	D. 3,451,750
Accrued depreciation—equipment.....	Cr. 424,508,304	Cr. 507,833,651	D. 83,325,347
Accrued amortization of defense projects—road.....	Cr. 24,802,630	Cr. 24,984,391	D. 181,761
Accrued amortization of defense projects—equipment.....	Cr. 16,742,787	Cr. 20,656,827	D. 3,914,040
Total Depreciation and Amortization.....	Cr. 861,507,394	Cr. 952,380,292	D. 90,872,898
Total Transportation Property less Recorded Depreciation and Amortization.....	2,868,020,545	2,697,603,614	I. 170,416,931
Miscellaneous Physical Property.....	96,050,816	90,541,289	I. 5,509,527
Accrued depreciation—miscellaneous physical property.....	Cr. 41,223,764	Cr. 39,655,581	I. 1,568,183
Total Miscellaneous Property less Recorded Depreciation.....	54,827,052	50,885,708	I. 3,941,344
Total Properties less Recorded Depreciation and Amortization.....	2,922,847,597	2,748,489,322	I. 174,358,275
Other Assets and Deferred Charges:			
Other assets.....	22,021,045	7,318,338	I. 14,702,707
Unamortized discount on long term debt.....	1,406,522	1,380,060	I. 26,462
Other deferred charges.....	33,511,978	35,003,664	D. 1,491,686
Total Other Assets and Deferred Charges.....	56,939,545	43,702,062	I. 13,237,483
Total Assets.....	4,596,640,498	4,513,350,062	I. 83,290,436

See accompanying notes to financial statements.

PENN CENTRAL TRANSPORTATION COMPANY

BALANCE SHEET

LIABILITIES AND SHAREHOLDERS' EQUITY

	December 31, 1969	December 31, 1968	Increase or Decrease
Current Liabilities:			
Loans and notes payable.....	\$102,048,000	\$87,419,537	I. \$ 14,628,463
Traffic and car-service balances.....	3,378,136	3,711,300	D. 333,164
Audited accounts and wages payable.....	43,317,081	31,532,637	I. 11,784,444
Miscellaneous accounts payable.....	25,595,191	19,033,619	I. 6,561,572
Interest matured unpaid.....	12,720,449	6,708,990	I. 6,011,459
Dividends matured unpaid.....	10,805	112,116	D. 101,311
Unmatured interest accrued.....	15,428,097	12,801,152	I. 2,626,945
Unmatured dividends declared.....	162,917	153,646	I. 9,271
Accrued accounts payable.....	245,499,421	228,128,965	I. 17,370,456
Federal Income taxes accrued.....	357,662	187,256	I. 170,406
Other taxes accrued.....	39,784,234	36,454,124	I. 3,330,110
Other.....	10,153,259	17,695,533	D. 7,542,274
Total Current Liabilities.....	498,455,252	443,938,875	I. 54,516,377
Long Term Debt Due Within One Year:			
Bonds.....	6,470,000	6,486,000	D. 16,000
Equipment Trust Certificates.....	14,473,960	15,779,960	D. 1,306,000
Equipment—Conditional Sale or Deferred payment contracts.....	51,354,706	49,318,108	I. 2,036,598
Loan Agreement.....	30,400,000	2,400,000	I. 28,000,000
Miscellaneous obligations.....	3,359,347	2,731,719	I. 627,628
Total Long Term Debt Due Within One Year.....	106,058,013	76,715,787	I. 29,342,226
Long Term Debt Due After One Year:			
Bonds.....	682,578,125	684,819,450	D. 2,241,325
Equipment trust certificates.....	85,496,800	100,132,760	D. 14,635,960
Equipment—Conditional sale or Deferred payment contracts.....	408,365,459	386,196,972	I. 22,168,487
Loan Agreement.....	—	30,400,000	D. 30,400,000
Eurodollar Credit Agreement.....	50,000,000	50,000,000	—
Revolving Credit Notes.....	250,000,000	100,000,000	I. 150,000,000
Commercial Paper Notes.....	100,000,000	50,000,000	I. 50,000,000
Miscellaneous obligations.....	9,144,530	6,060,677	I. 3,083,853
Total Long Term Debt Due After One Year.....	1,585,584,914	1,407,609,859	I. 177,975,055
Casualty and Other Allowances:			
Pension and Welfare Reserve.....	6,646,084	7,300,000	D. 653,916
Insurance.....	5,489,319	17,377,934	D. 11,888,615
Injuries, Loss and Damage.....	49,387,090	47,707,815	I. 1,679,275
Cost incurred upon Merger:			
Removal and disposal of obsolete property.....	22,866,574	24,877,831	D. 2,011,257
Recalled labor.....	79,068,402	94,468,147	D. 15,399,745
Other.....	29,145,258	9,417,138	I. 19,728,120
Total Casualty and Other Allowances.....	192,602,727	201,148,865	D. 8,546,138
Other Liabilities and Deferred Credits:			
Amounts payable to affiliated companies.....	167,710,975	122,581,800	I. 45,129,175
Other liabilities.....	28,797,678	29,297,915	D. 500,237
Unamortized premium on long term debt.....	75,911	82,143	D. 6,232
Other deferred credits.....	38,321,791	27,730,602	I. 10,591,189
Accrued depreciation—Leased property.....	173,661,778	173,904,948	D. 243,170
Total Other Liabilities and Deferred Credits.....	408,568,133	353,597,408	I. 54,970,725
Contingent Liabilities—See Notes			
Shareholders' Equity:			
Capital Stock \$10 par value, authorized 27,000,000 shares, issued 24,113,703 shares (1968—24,085,329).....	241,137,030	240,853,290	I. 283,740
Capital Surplus.....	1,068,729,752	1,068,257,175	I. 472,577
Retained Income.....	495,504,677	721,228,803	D. 225,724,126
Total Shareholders' Equity.....	1,805,371,459	2,030,339,268	D. 224,967,809
Total Liabilities and Shareholders' Equity.....	4,596,640,498	4,513,350,062	I. 83,290,436

See accompanying notes to financial statements.

PENN CENTRAL TRANSPORTATION COMPANY

NOTES TO FINANCIAL STATEMENTS

Financial reports filed with the Interstate Commerce Commission by Penn Central Transportation Company differ from the accompanying financial statements of the transportation company (which are in accordance with generally accepted accounting principles except that no recognition has been given to deferred Federal income taxes) in the following respects: (1) Shares issued in December 1968 in connection with the acquisition of New Haven properties have been reflected in the accompanying financial statements at \$41.125 per share, the average fair market value of the stock during the period of negotiation of the acquisition agreement; whereas the Commission has ruled that such shares be valued at \$87.50 per share, the value determined by the Commission. The difference in purchase price has been reflected partly as a deferred credit of \$23,077,000 and partly as additional paid-in capital of \$21,284,000 in reports to the Commission; whereas a liability of approximately \$40,000,000 for rehabilitation and other costs assumed in connection with the acquisition of New Haven properties has been reflected in the accompanying financial statements, but not in reports to the Commission. In 1969, the net loss for the transportation company, as reported to shareholders, was \$21,986,000 less than the loss reported to the Commission because of charge-offs against the liability for rehabilitation and other costs. (2) The extraordinary charge for loss on investment in long-haul passenger service facilities has not been reflected in reports to the Commission. Accordingly, 1969 depreciation expense in such reports was \$4,500,000 higher. (3) The 1965-1968 revenue resettlement and interest costs, amounting to \$8,818,000, which are treated as an adjustment of prior years' earnings in the accompanying financial statements are reflected in reports filed with the Commission as an extraordinary reduction of 1969 net income. (4) During 1969 the Commission ordered the transportation company to reclassify a \$21,000,000 gain on security sales originally included in 1968 earnings from ordinary operations to an extraordinary item in reports to the Commission.

New Haven Acquisition

The net assets of The New York, New Haven and Hartford Railroad Company, acquired as of December 31, 1968 and shown in total in the 1968 balance sheet, have now been reclassified to appropriate balance sheet categories. Assets acquired generally have been valued at estimated realizable values and appropriate recognition has been given to all liabilities assumed, including costs in connection with rehabilitation of facilities. Results of operations include the New Haven properties from date of acquisition. Bondholders of the New Haven are litigating the terms of purchase ordered by the Interstate Commerce Commission and are seeking a substantial increase in the purchase price.

Contingent Liabilities

The Company has contingent liabilities, not included as liabilities in the balance sheet, aggregating \$437,084,000 as of December 31, 1969, as guarantor of the obligations of companies in which the Company has an interest. \$177,682,000 of the contingent obligations have been entered into jointly and severally with other companies.

In addition there are other contingent liabilities indeterminate in amount, in respect to taxes, personal injuries, property damage, purchase agreements and other matters.

OPERATING REVENUES

ACCOUNTS	1969	1968	Increase or Decrease
Transportation			
Freight.....	\$1,344,578,468	\$1,249,649,318	I. \$94,929,150
Passenger.....	147,111,527	105,087,068	I. 42,024,459
Mail.....	54,489,004	62,334,063	D. 7,845,059
Express.....	2,825,167	14,569,633	D. 11,744,466
Baggage.....	146,848	193,292	D. 46,444
Sleeping car.....	3,016,833	2,269,995	I. 746,838
Parlor and chair car.....	1,274,552	735,327	I. 539,225
Other passenger train.....	7,165,985	4,408,295	I. 2,757,690
Milk.....	433	4,623	D. 4,190
Switching.....	22,401,523	22,561,115	D. 159,592
Water transfers.....	177,755	210,795	D. 33,040
Incidental			
Dining and buffet.....	6,833,804	5,126,318	I. 1,707,486
Station, train and boat privileges.....	2,455,927	2,421,110	I. 34,817
Storage—Freight.....	1,000,750	602,313	I. 398,437
Demurrage.....	22,244,851	15,334,268	I. 6,910,583
Grain elevator.....	395,461	481,910	D. 86,449
Power.....	1,377,859	1,703,926	D. 326,067
Rents of buildings and other property.....	8,519,851	6,067,065	I. 2,452,786
Miscellaneous.....	18,765,140	15,691,659	I. 3,073,481
Joint Facility			
Joint facility—Credit.....	61,593,643	47,428,569	I. 14,165,074
Joint facility—Debit.....	7,307,396	6,093,972	I. 1,213,424
	111,054	1,475,360	D. 1,364,306
Total.....	7,196,342	4,618,612	I. 2,577,730
Total.....	1,651,978,080	1,514,070,705	I. 137,907,375

PENN CENTRAL TRANSPORTATION COMPANY

The operating results indicated below are presented in accordance with accounting regulations of the Interstate Commerce Commission and are not in agreement with results reported under generally accepted accounting principles. (See note—page 4).

OPERATING RESULTS BY SERVICES

FREIGHT SERVICE

	1969	1968	1967	1966	1965
Operating Revenues:					
Freight.....	\$1,344,578,468	\$1,251,815,628	\$1,214,693,072	\$1,248,543,527	\$1,221,557,237
All Other Transportation.....	28,389,327	29,475,855	25,463,149	25,479,053	23,525,590
Incidental and Joint Facility Revenues.....	46,865,974	36,965,560	39,157,515	44,792,861	40,729,336
Total.....	1,419,833,769	1,318,257,043	1,279,313,736	1,318,815,441	1,285,812,163
Operating Expenses:					
Maintenance of Way and Structures.....	162,817,935	149,634,344	136,428,697	136,187,735	130,463,986
Maintenance of Equipment.....	214,597,844	190,050,764	190,110,714	190,287,248	186,258,746
Traffic.....	21,319,611	22,120,895	23,595,877	22,757,733	22,249,598
Transportation.....	638,837,025	574,532,715	545,279,543	547,154,749	538,543,423
Miscellaneous Operations.....	961,389	1,013,281	1,248,582	1,359,052	944,441
General.....	82,300,010	66,493,436	52,740,420	53,167,241	52,215,040
Total.....	1,120,833,814	1,003,845,435	949,403,833	950,913,758	930,675,234
Net Revenue from Railway Operation:					
298,999,955	314,411,608	329,909,903	367,901,683	355,136,929	
Railway Tax Accruals:					
93,071,487	80,324,155	88,254,515	71,781,628	78,423,734	
Railway Operating Income:					
205,928,468	234,087,453	241,655,388	296,120,055	276,713,195	
Hire of Equipment—Debit Balance.....	168,680,014	160,676,541	138,380,850	121,064,390	121,243,346
Joint Facility Rents—Debit Balance.....	140,401	218,379	59,222	Cr. 74,737	1,540,064
Net Railway Operating Income:	37,108,053	73,192,533	103,215,316	175,130,402	153,929,785
Ratio of Total Operating Expenses to Total Operating Revenues.....	78.94%	76.15%	74.21%	72.10%	72.38%

PASSENGER SERVICE

	1969	1968	1967	1966	1965
Operating Revenues:					
Passenger.....	\$147,111,527	\$105,087,068	\$114,961,837	\$129,661,193	\$134,494,316
Mail.....	50,656,381	59,596,819	74,953,454	84,352,160	84,414,809
Express.....	832,429	10,578,906	15,551,911	17,992,394	21,787,781
All Other Transportation.....	11,619,963	7,635,558	7,984,198	8,106,994	7,969,880
Incidental and Joint Facility Revenues.....	20,546,152	13,963,835	15,958,421	17,456,459	18,038,710
Total.....	230,766,452	196,862,186	229,409,821	257,569,200	266,705,496
Operating Expenses:					
Maintenance of Way and Structures.....	27,461,849	23,390,462	24,739,219	25,237,605	25,329,950
Maintenance of Equipment.....	68,373,057	64,450,637	69,699,759	70,123,098	74,063,303
Traffic.....	2,623,937	3,046,358	3,030,680	3,557,620	3,825,952
Transportation.....	162,816,117	145,415,220	160,447,160	165,524,570	166,030,077
Miscellaneous Operations.....	9,296,937	8,328,627	9,672,276	11,159,080	11,331,957
General.....	21,274,492	18,382,767	15,129,501	15,203,724	15,061,659
Total.....	291,846,389	263,014,071	282,718,595	290,805,697	295,642,898
Def. 61,079,937	Def. 66,151,885	Def. 53,308,774	Def. 33,236,497	Def. 28,937,402	
28,702,410	25,686,922	26,452,029	24,837,836	24,878,404	
Def. 89,782,347	Def. 91,838,807	Def. 79,760,803	Def. 58,074,333	Def. 53,815,806	
10,898,248	8,936,393	6,429,077	5,751,028	4,424,580	
4,083,624	Cr. 537,220	Cr. 833,278	Cr. 2,420,708	Cr. 295,539	
Def. 104,764,219	Def. 100,237,980	Def. 85,356,602	Def. 61,404,653	Def. 57,944,847	
Ratio of Total Operating Expenses to Total Operating Revenues.....	126.47%	133.60%	123.24%	112.90%	110.85%

PENN CENTRAL TRANSPORTATION COMPANY

SECURITIES OWNED

December 31, 1969

NAME OF COMPANY	Shares	Carried on Books at	Dividend or Interest Income—1969
Investment in Affiliated Companies:			
Stocks:			
American Contract Co.	10,000	\$500,000	\$3,326,100
Baltimore & Eastern R.R. Co.	16,830	1	
Beech Creek R.R. Co.	95,010	3,459,072	*
Belt Ry. Co. of Chicago	2,400	200,000	
Boston Terminal Corp.	10	1,753,703	
Calumet Western Ry. Co.	1,080	108,000	
Canada Southern Ry. Co.	18,100	1,019,314	*
Canadian Pacific Car and Passenger Tfr. Co., Ltd.	500	50,000	
Central Indiana Ry. Co.	600	1	
Cherry Tree & Dixonville R.R. Co.	10,000	500,000	
Chicago, Kalamazoo and Saginaw Ry. Co.	1,800	1,800	*
Chicago River and Indiana R.R. Co.	5,000	750,000	
Clearfield Bituminous Coal Corp.	16,500	82,200	
Cleveland & Pittsburgh R.R. Co., guaranteed	63,284	5,510,788	*
Cleveland & Pittsburgh R.R. Co., special guaranteed betterment	459,228	21,739,965	*
Cleveland & Pittsburgh R.R. Co., refunding and improvement	525,000	26,250,000	
Cleveland, Cincinnati, Chicago & St. Louis Ry. Co., common	467,807	44,490,148	*
Cleveland, Cincinnati, Chicago & St. Louis Ry. Co., common scrip	86	320	*
Cleveland, Cincinnati, Chicago & St. Louis Ry. Co., preferred	90,326	8,938,624	*
Cleveland Technical Center, Inc.	1,000	1,000	
Connecting Ry. Co.	21,562	9,125,950	*
Delaware R.R. Co.	172,489	5,868,433	*
Despatch Shops, Inc.	60,000	3,100,000	1,000,000
Detroit Terminal R.R. Co.	5,000	500,000	
East Hartford Freight Company	1,200	70,680	
Erie & Pittsburgh R.R. Co., guaranteed	27,527	1,911,451	*
Erie & Pittsburgh R.R. Co., special betterment	58,663	4,089,950	*
Fairport, Painesville & Eastern Ry. Co.	250	1,000,000	231,250
Fort Wayne Union Ry. Co.	400	40,000	3,200
Fruit Growers Express Co.	26,602	2,710,800	
Green Real Estate Co.	100,835	1,570,169	
Hudson River Bridge Co. at Albany	5,000	500,000	*
Illinois Northern Ry.	600	120,451	
Illinois Terminal R.R. Co.	182	1,818	
Indiana Harbor Belt R.R. Co.	15,960	1,596,000	
Lake Erie & Pittsburgh Ry. Co.	43,000	4,300,000	
Lakefront Dock and Railroad Terminal Co.	46,250	4,625,000	
Lehigh Valley R.R. Co., common	1,475,579	7,619,055	
Little Miami R.R. Co., original	6,912	601,085	*2,765
Mahoning Coal R.R. Co., common	24,241	3,744,839	1,696,870
Mahoning Coal R.R. Co., preferred	11,108	555,986	27,770
Manor Real Estate Co.	59	2,950	*
Merchants Despatch Transportation Corp.	40,000	2,000,000	2,000,000
Merchants Trucking Co.	78,750	2,777,845	4,737,500
Michigan Central R.R. Co.	522	26,100	50,000
Monongahela Ry. Co.	187,146	31,534,633	*
New England Transportation Co.	41,633½	1,597,594	
New York & Harlem R.R. Co., common	15,000	1	
New York & Harlem R.R. Co., preferred	163,587	26,022,363	*
New York & Long Branch R.R. Co.	26,591	4,473,482	*
New York & Stamford Ry. Co.	20,000	2,000,000	
New York Central Development Corp.	—	1	
New York Central Transport Co.	100	1,000	
New York Connecting R.R. Co.	100	1,000	
Niagara Junction Ry. Co.	30,000	1,524,911	
Nicholas, Fayette & Greenbrier R.R. Co.	5,000	501,974	
Northern Central Ry. Co.	37,359	3,921,451	
Owasco River Ry.	503,661	33,063,952	*
Penn Central Park, Inc.	150	37,500	
Pennel Co.	20,000	1,909,667	
Penniana Improvement Corp.	2,885	60,629,367	
Pennsylvania & Atlantic R.R. Co.	1,000	100,000	
Pennsylvania Co., common	22,157	1	
Pennsylvania-Reading Seashore Lines, common	4,985,000	118,278,014	24,000,000
	34,966	1	

PENN CENTRAL TRANSPORTATION COMPANY

SECURITIES OWNED—(Continued)

December 31, 1969

NAME OF COMPANY	Shares	Carried on Books at	Dividend or Interest Income—1969
Investments in Affiliated Companies (Continued):			
Stocks (Continued):			
Pennsylvania-Reading Seashore Lines, preferred	13,333	\$ 1	
Pennsylvania Truck Lines, Inc., common	17,282	297,667	43,205
Pennsylvania Truck Lines, Inc., preferred	1,500	150,000	9,000
Pennsylvania Tunnel & Terminal R.R. Co.	450,000	20,000,002	*
Pentruck Company, Inc.	12,000	300,000	100,000
Peoria & Eastern Ry. Co.	29,926	2,041,287	180,018
Peoria & Pekin Union Ry. Co.	834	92,574	
Philadelphia, Baltimore & Trenton R.R. Co.	1,432	301,984	*
Philadelphia, Baltimore & Washington R.R. Co.	519,500	72,797,021	
Pittsburgh and Lake Erie R.R. Co.	656,272	57,098,935	4,593,904
Pittsburgh, Fort Wayne & Chicago Ry. Co., common	1,141,570	119,008,053	*
Pittsburgh, Fort Wayne & Chicago Ry. Co., preferred	47,069	7,797,835	*
Pittsburgh, Youngstown & Ashtabula Ry. Co., common	3	300	*
Pittsburgh, Youngstown & Ashtabula Ry. Co., preferred	732	95,321	*
Potomac Public Service Co., Voting Tr. Ctf., common	850	1	
Providence Produce Warehouse Co.	5,766	1	
Pullman Co.	138,530	1,507,807	
Railway Express Agency Holding Corp.	165,665	1	
Richmond-Washington Co.	4,450	445,000	66,305
St. Lawrence & Adirondack Ry. Co.	16,150	1,213,662	*
Shamokin Valley & Pottsville R.R. Co.	4,996	333,319	*
South Manchester R.R. Co.	400	43,199	
Terminal Realty Penn Co.	100	11,700,000	
Toledo Terminal R.R. Co.	11,616	3	
Toronto, Hamilton and Buffalo Ry. Co.	20,120	702,680	201,200
Trailer Train Co.	1,000	534,840	
Union Freight R.R. Co.	1,435	230,000	
United New Jersey R.R. & Canal Co.	111,793	25,737,862	*
Waynesburg Southern R.R. Co.	175,000	175,000	
Western Warehousing Co.	2,000	200,500	
West Jersey & Seashore R.R. Co., common	132,326	7,431,843	396,978
West Jersey & Seashore R.R. Co., special guaranteed	1,446	92,280	4,338
Wilkes-Barre Connecting R.R. Co.	1,826	91,300	4,565
Dividends on stocks held as lessee			797,340
		789,830,688	58,672,308
Bonds:			
Beech Creek R.R. Co., 4%, matured July 1, 1936	4,592,000	4,592,000	*
Beech Creek R.R. Co., 5%, matured July 1, 1936	1,000,000	1,000,000	*
Canada Southern Ry. Co., 5%, matured October 1, 1962	10,055,000	10,055,000	
Cleveland & Pittsburgh R.R. Co., general and refunding mortgage, 3%, Series "C"	12,000	10,230	6,165
Cleveland, Cincinnati, Chicago and St. Louis Ry. Co., Refunding and improvement mortgage—Series "E", 4½%, due July 1, 1977	3,819,000	2,407,578	*
First Collateral Trust, 4%, St. Louis Div., due Nov. 1, 1990	61,000	58,363	*
Connecting Ry. Co. First Mortgage 3½%, Series "A"	537,000	415,480	2,309
Elmira & Williamsport R.R. Co., First Mortgage 4%	963,000	823,365	38,520
Elmira & Williamsport R.R. Co., Income Mortgage 5%	393,500	384,899	19,675
Lehigh Valley R.R. Co., general consolidated mortgage 4%, Series "D"	3,169,000	1,196,479	
Lehigh Valley R.R. Co., general consolidated mortgage 4½%, Series "E"	1,607,500	646,580	
Lehigh Valley R.R. Co., general consolidated mortgage 5%, Series "F"	1,353,000	587,667	
Monongahela Ry. Co., First mortgage 6%, Series "B"	2,309,000	2,309,000	138,540
New York & Harlem R.R. Co. Mortgage Bonds 4% Series "A"	12,000	7,680	*
New York & Harlem R.R. Co. Mortgage Bonds 4% Series "B"	768,000	497,170	*
New York & Long Branch R.R. Co., consolidated mortgage 5%, Series "A"	269,000	269,000	11,843
New York & Long Branch R.R. Co., consolidated mortgage 4%, Series "B"	1,061,000	1,061,000	39,350
Pennsylvania, Ohio & Detroit R.R. Co., First Refunding 2½%, Series "E"	559,000	553,466	14,330
Philadelphia, Baltimore & Washington R.R. Co., gen. mtg. 4½%, Series "C"	15,000	14,325	675
Pittsburgh, Cincinnati, Chicago & St. Louis R.R. Co., gen. mtg. 5%, Series "A"	683,000	687,538	34,150
Pittsburgh, Cincinnati, Chicago & St. Louis R.R. Co., gen. mtg. 5%, Series "B"	335,000	333,425	16,750
Pittsburgh, Cincinnati, Chicago & St. Louis R.R. Co., gen. mtg. 5%, Series "D"	3,354,000	3,354,000	148,033
Pittsburgh, Cincinnati, Chicago & St. Louis R.R. Co., gen. mtg. 3½%, Series "E"	96,000	74,340	6,260
Washington Terminal Co., First mortgage 2%, Series "A"	10,000	9,525	213
	37,033,000	31,348,110	476,813

* Dividends or interest waived under lease agreements.

PENN CENTRAL TRANSPORTATION COMPANY

SECURITIES OWNED—(Continued)

December 31, 1969

NAME OF COMPANY	Per Value	Carried on Books at	Dividend or Interest Income—1969
Other Secured Obligations:			
Lehigh Valley R.R. Co., Conditional Sales Agreements.....	\$6,084,375	\$ 6,084,375	
Penn Towers Inc., Note.....	1,750,000	1,750,000	
Providence Produce Warehouse Co.....	41,329	41,329	
	7,875,704	7,875,704	391,400
Unsecured Notes:			
New England Transportation Co.....	419,500	419,500	
New York & Stamford Ry.....	1	1	
Providence Produce Warehouse Co.....	4,084,196	4,084,196	
Railway Express Agency.....	7,600,207	7,600,207	
Toledo Terminal R.R. Co.....	51,443	51,443	
	12,155,347	12,155,347	429,323
Other Investments:			
Stocks:			
Boston and Providence Railroad Corp.....	15,458	1,361,800	
Holyoke & Westfield Railroad Company.....	201	21,400	
Lehigh & Hudson River Ry. Co.....	6,776	350,718	
Madison Square Garden Corp., Inc. common.....	1,038,093	11,499,995	
New Gauley Coal Corp., common.....	5,229		
New Gauley Coal Corp., preferred.....	4,836,825	390,324	
New York Business Development Corp.....	100	10,000	
Norwich and Worcester Railroad Company.....	1,071	695,740	
Providence and Worcester Railroad Co.....	9,551	1,084,700	
Raritan River Railroad Co., preferred.....	49,530	871,483	
Stewartstown R.R. Co. of Pennsylvania.....	190	1	
Miscellaneous.....		27,510	693
	16,313,671	160,320	
Bonds:			
Boston and Providence Railroad Corp.....	2,170,000	3,320,100	
Greater Erie Industrial Development Corp., 2½ % Deb.....	150,000	150,000	
Paul Hardeman, Inc.....	100,000	100,000	
Kalamazoo, Allegan & Grand Rapids R.R. Co.....	835,200	835,200	
United States Government Securities.....	46,000	44,464	
Miscellaneous.....	4,252	4,252	162
	3,305,452	4,454,016	6,469
Other Secured Obligations:			
Cadillac and Lake City Ry. Co., Note.....	37,770	37,770	2,266
Campbell C. Groel.....	576,707	576,707	
Distribution Centers, Inc.....	150,000	150,000	3,375
John W. Hechinger & Richard England, Note.....	182,235	182,235	11,193
National Refrigerated Terminals, Inc. Note.....	142,322	142,322	7,457
Stainless Processing Co., Inc.....	63,000	63,000	5,640
Miscellaneous.....	2,546	2,546	146
	1,154,580	1,154,580	30,077
Unsecured Notes:			
Eidco Inc., Promissory Note.....	100,000	100,000	1,667
Moore's Super Stores, Note.....	54,970	54,970	3,520
Norwich & Worcester R.R. Co.....	249,211	249,211	18,276
St. Mary's Building Corp.....	147,123	147,123	9,217
Trustees of University of Pennsylvania.....	700,000	700,000	
Miscellaneous.....	41,829	41,829	
	1,293,133	1,293,133	32,680
Loans and Notes Receivable:			
American International Development Corp.....	800,000	800,000	
J. M. Clausen & S. A. Benham, Owners.....	592,420	592,420	
Miscellaneous.....	102,763	102,763	
	1,495,183	1,495,183	

PENN CENTRAL TRANSPORTATION COMPANY

ANNUAL MATURITIES OF LONG TERM DEBT

Including Obligations of Leased Lines

(Based on Amounts Outstanding December 31, 1969)

	(Amounts in 000)		
YEAR	PENN CENTRAL TRANSPORTATION	LEASED LINES	TOTAL
	Equipment	Bonds and Other Debt	Bonds and Other Debt
1970.....	\$65,829	\$40,229	\$21,211
1971.....	59,527	9,395	2,644
1972.....	57,705	54,916	2,644
1973.....	56,831	155,403	18,065
1974.....	45,873	53,886	32,636
1975.....	41,095	70,778	70,907
1976.....	36,254	109,104	13,683
1977.....	34,026	3,957	14,079
1978.....	32,726	8,918	10,591
1979.....	31,750	3,845	20,811
1980.....	25,643	12,407	1,000
1981.....	17,993	48,111	1,000
1982.....	15,752	2,721	1,000
1983.....	11,061	2,693	1,000
1984.....	9,206	33,623	1,000
1985.....	6,607	70,439	1,000
1986.....	6,607	9,859	1,000
1987.....	2,135	1,169	1,000
1988.....	2,135	1,145	1,000
1989.....	1,135	1,127	1,015
1990.....		2,438	2,391
1991.....		2,229	28,771
1993.....		4,892	31,487
1994.....		19,065	36,379
1997.....		119,119	942
1998.....		96,669	96,669
2013.....		156,874	156,874
All Other Years.....		36,742	92,678
			129,420

PENN CENTRAL TRANSPORTATION COMPANY

BONDS AND OTHER FUNDED DEBT OF LEASED LINES OF PENN CENTRAL TRANSPORTATION COMPANY
December 31, 1969

NAME OF COMPANY AND ISSUE	Interest rate (%)	PRINCIPAL AMOUNT		
		Total Outstanding	Held By	
			Penn Central Transportation Company	Subsidiary Companies
The Boston & Providence R.R. Co., Debenture Bonds, due July 1, 1938.....	5%	\$2,170,000	\$2,170,000	
The Cleveland, Cincinnati, Chicago & St. Louis Ry. Co. Refunding and Improvement Mortgage Bonds, Series "E", due July 1, 1977.....	4½	38,518,000	3,819,000	\$54,000
St. Louis Division, First Collateral Trust Mortgage Bonds, due November 1, 1990.....	4	1,452,000	61,000	115,000
Cincinnati, Wabash and Michigan Division Mortgage Bonds, due July 1, 1991.....	4	2,771,000		27,000
General Mortgage Gold Bonds, Series "A", due June 1, 1993.....	4	27,385,000		92,000
General Mortgage Gold Bonds, Series "B", due June 1, 1993.....	5	4,102,000		
Cleveland & Pittsburgh R.R. Co. General and Refunding Mortgage Bonds, Series "C", due October 1, 1974.....	3	5,476,000	12,000	
Connecting Ry. Co. First Mortgage Bonds, Series "A", due March 1, 1976.....	3½	7,493,000	537,000	
Pennsylvania, Ohio & Detroit R.R. Co. First and Refunding Mortgage Bonds, Series "E", due October 1, 1975.....	2½	24,916,000	559,000	
Kalamazoo, Allegan and Grand Rapids Railroad Company First Mortgage Bonds due July 1, 1998.....	5	835,200	835,200	
The Michigan Central Railroad Company Refunding and Improvement Mortgage Bonds, Series "C", due January 1, 1979.....	4½	9,337,000		
The New York Connecting R.R. Co., First Mortgage Bonds Series "B", due October 1, 1975.....	2½	17,793,000		
The New York & Harlem Railroad Company Gold Mortgage Bonds, due May 1, 2000.....	3½	2,543,000		730,000
Mortgage Bonds, Series "A", due June 1, 2043.....	4	470,000	12,000	36,000
Mortgage Bonds, Series "B", due June 1, 2043.....	4	7,350,000	768,000	1,211,375
Northern Central Ry. Co. General and Refunding Mortgage Bonds: Series "A", due March 1, 1974.....	4½	6,431,000		
Series "A", due March 1, 1974.....	5	8,300,000		
Mortgage to State of Maryland (Annuity).....	\$90,000*	1,500,000#		81,735
Ground Rents.....				
Pennel Co. Battle Creek & Sturgis Ry. Co., First Mortgage Bonds, due December 1, 1989.....	3	15,000		
Elmira & Williamsport R.R. Co., First Mortgage Bonds, Extended, due January 1, 1990.....	4	963,000	963,000	
Elmira & Williamsport R.R. Co., Income Bonds, due October 1, 2862.....	5	549,000	393,500	
Pennsylvania Tunnel & Terminal R.R. Co. Note.....	4.90	47,000,000		1,200
Philadelphia & Trenton R.R. Co. Ground Rents.....				
Philadelphia, Baltimore & Washington R.R. Co. General Mortgage Bonds: Series "B", due February 1, 1974.....	5	10,000,000		
Series "C", due July 1, 1977.....	4½	11,301,000	15,000	
Series "E", due October 1, 1978.....	3	9,549,000		
Series "F", due May 1, 1979.....	3½	13,966,000		
Ground Rents.....		137,544		
Pittsburgh, Cincinnati, Chicago & St. Louis Railroad Company General Mortgage Bonds: Series "A", due June 1, 1970.....	5	20,000,000	1,448,000	
Series "B", due April 1, 1975.....	5	26,000,000	335,000	
Series "D", due August 1, 1975.....	5	6,503,000	3,354,000	
Series "E", due October 1, 1975.....	3¾	16,840,000	176,000	3,149,000
Pittsburgh, Ft. Wayne & Chicago Ry. Co. Ground Rents.....		5,340		
Pittsburgh, Youngstown & Ashtabula Ry. Co. First General Mortgage Bonds: Series "C", due June 1, 1974.....	5	1,197,000		
Series "D", due June 1, 1977.....	4½	1,485,000		
Providence and Worcester R.R. Co. First Mortgage Bonds, due October 1, 1972.....	6½	1,300,000		
The St. Lawrence and Adirondack Railway Co. First Mortgage Bonds, due July 1, 1996.....	5	590,000		
Second Mortgage Bonds, due October 1, 1996.....	6	352,000		
Union R.R. Co. of Baltimore Ground Rents.....		25,345		4,000
United New Jersey R.R. & Canal Co. General Mortgage Bonds: Due February 1, 1973.....	4½	1,824,000		
Due October 1, 1973.....	3	6,487,000		
Due March 1, 1976.....	2½	5,669,000		
Due September 1, 1979.....	4½	6,020,000		
New York Bay R.R. Co. First Mortgage Bonds, Series "A", due October 1, 1973.....	3¾	8,310,000		
Total.....		365,013,364	15,457,700	5,418,375

* Per annum.

Amount at which annuity is capitalized on books.

PENN CENTRAL TRANSPORTATION COMPANY

CAPITAL STOCK OF LEASED LINES
OF PENN CENTRAL TRANSPORTATION COMPANY

December 31, 1969

NAME OF COMPANY	Shares Outstanding	Shares Held By	
		Penn Central Transportation Company	Subsidiary Companies
Beech Creek Railroad Company.....	120,000	95,010	1,000
Boston and Providence Railroad Corp.....	40,000	15,458	460
Canada Southern Railway Company.....	150,000	18,100	89,163
Central Railroad Company of Indianapolis.....		600	
Chicago, Kalamazoo and Saginaw Railway Company.....		4,500	1,800
Cleveland, Cincinnati, Chicago and St. Louis Railway Company: Preferred.....	99,985	90,326	
Common.....	470,288	467,807	
Cleveland and Pittsburgh Railroad Company: Guaranteed.....	224,583	63,284	
Special Guaranteed Betterment.....	556,445	459,228	
Original.....	205		
Refunding and Improvement.....	525,000	525,000	
Connecting Railway Company.....	82,333	21,562	60,771
Delaware Railroad Company.....	203,131	172,489	
Detroit Manufacturers' Railroad.....	3,000		2,444
Detroit River Tunnel Company.....	30,000		30,000
Erie and Kalamazoo Railroad Company.....	5,845		
Erie and Pittsburgh Railroad Company: Guaranteed.....	40,000	27,527	
Special Betterment.....	58,663	58,663	
Fort Wayne and Jackson Railroad Company: Preferred.....	22,914	380	491
Common.....	4,361		1,328
Holyoke & Westfield Railroad Co.....	2,600	201	
Hudson River Bridge Company at Albany.....	5,000	5,000	
Joliet and Northern Indiana Railroad Company.....	3,000		3,000
Kalamazoo, Allegan and Grand Rapids Railroad Company.....	6,100		
Little Miami Railroad Company: Special Guaranteed Betterment.....	156,534		126,687
Refunding.....	121,400		121,400
Capital.....	132,470	6,912	76,130
Mahoning Coal Railroad Company: Preferred.....	13,227	11,108	
Common.....	30,000	24,241	
Mahoning and Shenango Valley Company.....	2,400		2,400
Michigan Central Railroad Company.....	187,364	187,146	
The New York Connecting Rail Road Co.....	30,000	30,000	
New York and Harlem Railroad Company: Preferred.....	26,879	26,591	
Common.....	173,121	163,587	7,000
Niagara River Bridge Company.....	1,000		
North Brookfield Railroad Company.....	628,675	503,661	
Northern Central Railway Company.....	30,000	1,071	
Norwich & Worcester Railroad Co.....	2,885		2,885
Pennel Company.....	450,000	450,000	
Pennsylvania Tunnel and Terminal Railroad Company.....	12,591	1,432	8,173
Philadelphia and Trenton Rail Road Company.....			
Philadelphia, Baltimore and Washington Railroad Company: Capital—6%.....	596,759	319,500	277,259
Capital—5%.....	200,000	200,000	
Pittsburgh, Fort Wayne and Chicago Railway Company: Preferred.....	196,949	47,069	
Guaranteed Special.....	1,810		
Guaranteed.....	184		
Common.....	1,143,838	1,141,570	
Pittsburgh, Youngstown & Ashtabula Railway Company: Preferred.....	90,892	732	67,960
Common.....	21,000	3	20,997
Shamekin Valley and Pottsville Railroad Company.....	35,000	9,551	
South Manchester Railroad Co.....	16,150	16,150	
Troy and Greenbush Railroad Association.....	17,389	4,996	12,393
Union Railroad Company of Baltimore.....	5,500	400	
United New Jersey Railroad and Canal Company.....	21,000	21,000	3,171
	212,404	111,793	

PENN CENTRAL TRANSPORTATION COMPANY

FREIGHT AND PASSENGER SERVICE STATISTICS

	1969	1968
FREIGHT SERVICE		
Freight Revenue.	\$1,344,578,468	\$1,249,649,318
Tons	Revenue.....	300,005,016
	Nonrevenue.....	286,126,976
	Total.....	3,309,933
	303,314,949	3,757,719
	289,884,695	
Net Ton Miles	Revenue.....	88,155,737,000
	Nonrevenue.....	546,885,000
	Total.....	88,702,622,000
	Loaded.....	87,185,438,000
Car Miles	Empty.....	2,045,976,000
	Total (Including Caboose and other).....	1,432,970,000
Gross Ton Miles—Cars and Contents.....	3,534,162,725	1,441,077,227
Freight Train Miles.....	192,434,373,000	3,540,217,009
Train Hours.....	48,313,856	189,060,138,000
Average Per Train Mile	\$ 27.83	\$ 27.74
Freight Revenue.....	1,825	1,922
Net Ton Miles { Revenue.....	1,836	1,935
Loaded Car Miles.....	42.3	45.4
Empty Car Miles.....	29.7	32.0
Total Car Miles (Including Caboose and other).....	73.2	78.6
Miscellaneous Averages		
Revenue Per Ton.....	\$ 4.48	\$ 4.37
Revenue Per Ton Mile (cents).....	1.525	1.444
Revenue Tons Per Loaded Car.....	43.1	42.3
Miles Per Revenue Ton.....	293.8	302.5
Percent of Loaded To Total Car Miles.....	57.9	57.8
Gross Ton Miles Per Train Hour (Excluding Locomotives).....	68,697	72,281
Net Ton Miles Per Train Hour (Revenue and Nonrevenue).....	31,666	33,332
Car Miles Per Car Day (Excluding Caboose).....	36.4	37.0
Net Ton Miles Per Car Day (Revenue and Nonrevenue).....	929	925
PASSENGER SERVICE		
Interline and Local Passenger Revenue.....	\$ 101,671,169	\$ 77,597,021
Commutation Passenger Revenue.....	45,440,358	27,490,047
Total Passenger Revenue.....	\$ 147,111,527	\$ 105,087,068
Passenger Service Train Revenue.....	\$ 217,038,792	\$ 188,000,643
Coach Passengers Carried.....	36,735,110	28,998,815
Sleeping and Parlor Car Passengers Carried.....	701,305	601,467
Commutation Passengers Carried.....	54,001,358	36,514,274
Total Revenue Passengers Carried.....	91,437,773	66,114,556
Total Revenue Passenger Miles.....	3,356,078,114	2,470,823,525
Passenger Train Miles.....	29,303,036	26,395,199
Passenger Train Car Miles.....	207,824,979	232,898,268
Passenger Carrying Car Miles.....	122,313,300	109,852,933
Average Per Train Mile		
Passenger Revenue.....	\$ 5.02	\$ 3.98
Passenger Service Train Revenue.....	\$ 7.41	\$ 7.12
Revenue Passenger Miles.....	115	94
Passenger Carrying Car Miles.....	4.2	4.2
Passenger Train Car Miles.....	7.1	8.8
Miscellaneous Averages		
Revenue Per Passenger.....	\$ 1.61	\$ 1.59
Revenue Per Passenger Mile (cents).....	4.383	4.253
Revenue Passenger Miles Per Car Mile.....	27	22
Miles Per Revenue Passenger.....	36.7	37.4

PENN CENTRAL TRANSPORTATION COMPANY

MILES OF ROAD OPERATED BY STATES AND PROVINCES

December 31, 1969

State or Province	LINE OWNED			LINES OPERATED			Totals
	Main	Branch Lines	Proprietary Companies	Lease	Contract	Trackage Rights	
Connecticut.....	445.69	126.69	1.83	53.27			627.48
Delaware.....				232.07			232.07
District of Columbia.....				11.08			13.03
Illinois.....	10.79	123.79	182.44	719.06	122.74	189.15	1,347.97
Indiana.....	152.44	209.90	116.17	2,210.84	78.80	200.71	2,968.86
Kentucky.....			4.28			.69	4.97
Maryland.....			85.63	342.69	3.66	9.79	455.73
Massachusetts.....	479.16	208.79	51.70	59.00		19.09	817.74
Michigan.....	2.15	253.87	396.48	1,183.26		62.44	1,898.20
Missouri.....				293.26		18.05	18.05
New Jersey.....		23.16		276.62		47.82	364.24
New York.....	643.51	1,570.94	225.38			145.64	2,862.09
Ohio.....	250.24	688.99	58.80	2,320.52	35.48	377.12	3,731.15
Pennsylvania.....	763.45	2,205.10	316.52	699.79		297.39	4,282.25
Rhode Island.....	59.89	43.35	9.80	23.91		5.15	81.21
Virginia.....			76.06			145.23	373.32
West Virginia.....		138.87	29.53	59.69		2.82	284.24
Ontario.....				.09	281.33		24.18
Quebec.....				46.56			70.74
Total.....	2,807.32	5,607.41	1,554.71	8,812.95	240.68	1,547.22	20,570.29

PENN CENTRAL TRANSPORTATION COMPANY

REVENUE FREIGHT TRAFFIC BY MAJOR COMMODITY CLASSIFICATIONS

COMMODITY	TONS				GROSS REVENUE			
	1969	Per Cent. of Total	1968	Per Cent. of Total	1969	Per Cent. of Total	1968	Per Cent. of Total
Farm, Forest and Fishery Products:								
Grain.....	4,813,442	1.60	5,661,790	1.98	\$21,688,428	1.50	\$24,037,929	1.82
Fruits and vegetables, fresh.....	2,593,276	.86	2,223,143	.78	26,516,476	1.83	21,875,258	1.65
Livestock.....	171,611	.06	177,915	.06	2,463,307	.17	2,761,203	.21
All other.....	953,709	.32	928,664	.33	7,784,589	.54	7,371,167	.56
Total.....	8,532,038	2.84	8,991,512	3.15	58,452,800	4.04	56,045,557	4.24
Mineral Products:								
Metallic ores.....	29,725,617	9.91	25,611,445	8.97	64,943,585	4.49	53,346,985	4.03
Anthracite coal.....	1,976,169	.66	2,479,499	.87	4,130,953	.29	4,295,756	.33
Bituminous coal.....	95,245,763	31.75	93,560,878	32.75	202,398,042	13.98	191,263,489	14.45
Sand, gravel and stone.....	11,747,655	3.92	10,960,493	3.84	23,826,634	1.64	21,984,104	1.66
All other.....	4,007,723	1.33	4,122,245	1.44	13,780,890	.95	13,027,427	.98
Total.....	142,702,927	47.57	136,734,560	47.87	309,080,104	21.35	283,917,761	21.45
Manufactures and Miscellaneous:								
Meat and packing house products.....	1,440,959	.48	1,150,570	.40	27,302,085	1.89	21,337,149	1.61
Grain products and feed.....	8,152,325	2.72	7,672,602	2.69	43,810,121	3.03	37,447,536	2.83
Other food and kindred products.....	11,291,179	3.76	10,270,417	3.59	89,360,456	6.17	79,113,182	5.98
Lumber and wood products.....	7,002,348	2.34	6,624,656	2.32	39,111,804	2.70	36,928,041	2.79
Pulp, paper and printed matter.....	16,178,653	5.39	13,797,707	4.83	92,916,551	6.42	78,190,461	5.91
Chemicals, rubber and plastics.....	17,077,061	5.69	16,240,743	5.69	120,105,326	8.30	109,571,747	8.28
Refined petroleum products.....	2,681,881	.89	2,177,654	.76	15,812,109	1.09	13,624,935	1.03
Stone, clay and glass products.....	14,524,405	4.84	13,612,132	4.76	62,197,401	4.30	54,482,372	4.12
Coke.....	4,022,310	1.34	4,775,162	1.67	13,725,591	.95	15,265,472	1.15
Iron and steel including scrap.....	35,192,686	11.73	34,280,781	12.00	179,324,840	12.39	168,732,138	12.75
Machinery and appliances.....	3,878,421	1.29	3,741,681	1.31	54,858,724	3.79	53,036,777	4.01
Motor vehicles and tires.....	11,047,125	3.68	11,023,576	3.86	162,746,365	11.24	158,034,192	11.94
Other metals, metal equipment and scrap.....	7,162,905	2.39	6,817,237	2.39	58,841,652	4.06	55,651,987	4.21
Freight Forwarder traffic.....	1,259,596	.42	1,119,893	.39	24,055,225	1.66	21,111,403	1.60
Other Association and mixed traffic.....	3,808,782	1.27	3,337,417	1.17	54,529,025	3.76	45,698,588	3.45
All other—durable goods.....	1,433,022	.48	1,259,180	.44	24,834,619	1.71	21,219,072	1.60
All other—non-durable goods.....	2,589,154	.87	1,987,097	.70	16,037,879	1.10	13,398,300	1.01
Total.....	148,742,812	49.58	139,888,505	48.97	1,079,569,773	74.56	982,843,352	74.27
Grand Total, Carload Traffic.....	299,977,777	99.99	285,614,577	99.99	1,447,102,677	99.95	1,322,806,670	99.96
All Less Carload Freight.....	27,239	.01	19,239	.01	713,977	.05	581,443	.04
Grand Total, Carload and Less Carload Freight.....	300,005,016	100.00	285,633,816	100.00	\$1,447,816,654	100.00	\$1,323,388,113	100.00

PENN CENTRAL TRANSPORTATION COMPANY

TRAIN, LOCOMOTIVE AND CAR MILE STATISTICS

CLASSIFICATION	1969	1968	Increase or Decrease
Freight:			
Diesel locomotives.....	44,859,326	41,685,904	I. 3,173,422
Electric locomotives.....	3,454,530	3,360,483	I. 94,047
Total—Freight Train Miles.....	48,313,856	45,046,387	I. 3,267,469
Passenger:			
Diesel locomotives.....	14,759,061	14,001,101	I. 757,960
Electric locomotives.....	5,401,617	5,725,443	D. 323,826
Motorcars.....	9,142,358	6,668,655	I. 2,473,703
Total—Passenger Train Miles.....	29,303,036	26,395,199	I. 2,907,837
Total Transportation Service.....	77,616,892	71,441,586	I. 6,175,306
LOCOMOTIVE UNIT-MILES			
Freight:			
Road service.....	123,134,306	132,407,836	D. 9,273,530
Train switching.....	7,133,601	8,136,471	D. 1,002,870
Yard switching.....	43,649,608	40,361,989	I. 3,287,619
Total—Freight Locomotive Unit-Miles.....	173,917,515	180,906,296	D. 6,988,781
Passenger:			
Road service.....	36,792,846	38,874,151	D. 2,081,305
Train switching.....	4,825	9,331	D. 4,506
Yard switching.....	1,837,549	2,063,374	D. 215,825
Total—Passenger Locomotive Unit-Miles.....	38,635,220	40,936,856	D. 2,301,636
Total Transportation Service.....	212,552,735	221,843,152	D. 9,290,417
CAR MILES			
Freight Trains:			
Loaded cars.....	2,045,976,000	2,046,856,163	D. 880,163
Empty cars.....	1,432,970,000	1,441,077,227	D. 8,107,227
Caboose and other.....	55,216,725	52,283,619	I. 2,933,106
Total—Car miles in freight trains.....	3,534,162,725	3,540,217,009	D. 6,054,284
Passenger Trains:			
Motorcars.....	30,054,477	21,459,657	I. 8,594,820
Coaches.....	69,605,891	62,123,015	I. 7,482,876
Combination cars (mail, express, or baggage with passenger).....	875,914	915,299	D. 39,385
Sleeping and parlor cars.....	22,214,975	25,812,611	D. 3,597,636
Dining, club and lounge cars.....	8,160,549	8,886,597	D. 726,048
Head-end cars.....	73,144,708	110,075,135	D. 36,930,427
Other cars.....	3,768,465	3,625,954	I. 142,511
Total—Car miles in passenger trains.....	207,824,979	232,898,268	D. 25,073,289
Total Transportation Service.....	3,741,987,704	3,773,115,277	D. 31,127,573

PENN CENTRAL TRANSPORTATION COMPANY

EQUIPMENT IN SERVICE

	December 31, 1968		1969		December 31, 1969	
	Owned and Used	Leased	Installed	Retired	Owned and Used	Leased
Locomotive Units						
Diesel—Freight.....	638	581	334	130	846	577
Passenger.....	203	7		16	190	4
Multiple Purpose.....	731	259	371	91	1,006	264
Switching.....	1,354	385	45	689	776	319
Total.....	2,926	1,232	750	926	2,818	1,164
Electric—Freight.....	54	66		40	14	66
Passenger.....	105		112	87	18	
Multiple Purpose.....	10			4	118	
Switching.....	11			2	9	
Total.....	180	66	112	133	159	66
Freight Train Cars						
Box.....	41,378	26,365	4,522	9,418	36,639	26,208
Hopper.....	43,927	21,912	959	5,047	42,556	19,195
Gondola.....	30,208	12,038	1,743	5,006	26,878	12,105
Flat.....	5,819	620	617	476	5,997	583
Rack.....				6	50	1,954
Stock.....	361	1,998		22	200	184
Tank.....	49	76			49	75
Container.....	274	145	8	104	193	130
Caboose.....	2,085	107	400	382	2,023	187
Total.....	124,101	63,261	8,277	20,683	114,519	60,437
Passenger Train Cars Not Self Propelled						
Coaches.....	825	134	14	77	764	132
Combination Passenger.....	20			7	13	
Sleeping & Parlor.....	166	2	71	17	220	2
Dining & Club.....	108	15	11	12	108	14
Baggage, Express and Mail.....	2,046	778	17	1,211	989	641
Total.....	3,165	929	113	1,324	2,094	789
Self Propelled						
Electric.....	673	145	48	13	660	193
Diesel.....	64				64	
Total.....	737	145	48	13	724	193
Company Service Rail Equipment						
	5,127	127	253	475	4,817	215
Marine Equipment						
Tug Boats.....	17	10		6	14	7
Barges, Car Floats, and Miscellaneous equipment.....	254	8		22	232	8
Total.....	271	18		28	246	15

PENNSYLVANIA COMPANY AND CONSOLIDATED SUBSIDIARIES

SUMMARY OF CONSOLIDATED EARNINGS AND RETAINED EARNINGS

	Current Earnings Income	Year Ended December 31	
		1969	1968
Operating profit of transportation and real estate subsidiaries.....		\$74,074,000	\$64,090,000
Dividends, interest and other income.....		51,873,000	49,941,000
Total Income.....		125,947,000	114,031,000
Interest and debt expense.....		20,526,000	16,482,000
Federal income taxes.....		6,218,000	4,523,000
Minority interest in income of subsidiaries.....		11,633,000	5,891,000
Total Fixed Charges and Other Deductions.....		38,377,000	26,896,000
For the Year.....		87,570,000	87,135,000
From prior years.....		346,523,000	286,653,000
Total Available.....		434,093,000	373,788,000
Dividends—Preferred.....		3,264,000	3,265,000
—Common.....		24,000,000	24,000,000
Total Dividends.....		27,264,000	27,265,000
Total Retained Earnings.....		\$406,829,000	\$346,523,000
CONDENSED CONSOLIDATED BALANCE SHEET			
	Assets	December 31	
		1969	1968
Cash and temporary cash investments.....		\$38,648,000	\$15,652,000
Other current assets.....		58,627,000	62,347,000
Investments and advances, at cost or less.....		525,601,000	390,969,000
Real estate companies—properties held for development or resale, at cost.....		173,468,000	141,414,000
Properties, less accumulated depreciation.....		504,872,000	494,869,000
Other assets and deferred charges.....		12,400,000	6,018,000
Investment in consolidated subsidiaries in excess of net assets.....		113,628,000	96,015,000
Total Assets.....		\$1,427,244,000	\$1,207,284,000
Liabilities			
Current liabilities.....		84,498,000	\$44,586,000
Debt due within one year.....		71,518,000	67,416,000
Long term debt.....		437,819,000	336,092,000
Other liabilities and deferred credits.....		88,465,000	89,144,000
Minority interest in subsidiaries.....		96,949,000	82,279,000
Net assets of consolidated subsidiaries in excess of investment.....		45,962,000	46,036,000
Total Liabilities.....		825,211,000	665,553,000
Shareholders' Equity			
Preferred stock—\$100 par value Authorized: 730,000 shs., issued 705,786 shs. (705,825 in 1968).....		70,579,000	70,583,000
Common stock—\$25 par value Authorized: 5,600,000 shs., issued 4,985,000 shs.....		124,625,000	124,625,000
Retained earnings.....		406,829,000	346,523,000
Total Shareholders' Equity.....		602,033,000	541,731,000
Total Liabilities and Shareholders' Equity.....		\$1,427,244,000	\$1,207,284,000

Note: Pennsylvania Company and its consolidated subsidiaries are included in the consolidated financial statements of Penn Central Company.

PENNSYLVANIA COMPANY AND CONSOLIDATED SUBSIDIARIES

December 31, 1969

CONSOLIDATED SUBSIDIARIES

	Percent of Control
Company:	
Arvida Corporation*	59%
Buckeye Pipe Line Co.*	100
Connecting Ry. Co.	74
Little Miami R. R. Co.	79
Pittsburgh, Youngstown & Ashtabula Ry. Co.	80
Detroit, Toledo & Ironton R. R. Co.	99
Ann Arbor R. R. Co.	99
Manistique & Lake Superior R. R. Co.	100
DTI Enterprises, Inc.	100
Delaware Car Leasing Co.	60
General Car Leasing Co.	60
Greencar Corp.	60
Pennsylvania Car Leasing Co.	60
Great Southwest Corp.*	90
* Includes wholly owned subsidiaries.	
INVESTMENTS AND ADVANCES	
	Shares
Stocks:	
Akron and Barberton Belt R. R. Co.	250
Akron Union Passenger Depot	500
Everglades Pipeline Co.	1,640
Great Southwest R. R. Co.	688
Illinois Northern Ry. Co.	600
Madison Square Garden	1,462,109
Montour R. R. Co.	51,000
Norfolk & Western Ry. Co.	1,191,905
Norfolk & Western Ry. Co. with exchange rights	400,000
Philadelphia, Baltimore & Washington R. R. Co.	277,259
Pullman Co.	118,298
Strick, Inc.—warrants	—
Toledo Peoria & Western R. R. Co.	45,000
Trailer Train Co.	500
Transport Pool—warrants	—
Wabash R. R. Co.—common	595,255
Wabash R. R. Co.—preferred	101,836
West Jersey & Seashore	65,758
Miscellaneous	—
	212,425,000
Bonds and Notes:	Per Value
Lehigh Valley R. R. Co.	\$3,166,000
Mortgages, contracts and notes—real estate	178,951,000
Norfolk & Western Ry. Co.	10,400,000
Penn Central Co.	60,637,000
Philadelphia, Baltimore & Washington R. R. Co.	3,149,000
Transport Pool—notes	2,661,000
Miscellaneous	678,000
	258,628,000
Advances and Others:	
Equity in real estate joint ventures	31,621,000
American Contract Co.	20,305,000
Penn Central	785,000
Property replacement and other fund deposits	1,704,000
Great Southwest R. R. Co.	127,000
Miscellaneous	6,000
Total Investments and Advances	54,548,000
	\$525,601,000

ARVIDA CORPORATION AND SUBSIDIARIES

SUMMARY OF CONSOLIDATED EARNINGS AND RETAINED EARNINGS

	Year Ended December 31	
	1969	1968
Current Earnings		
Income		
Sales of real estate.....	\$ 8,804,000	\$15,244,000
Operating revenues.....	8,358,000	5,966,000
Interest and miscellaneous income.....	2,310,000	1,941,000
Total Income.....	19,472,000	23,151,000
Costs and Expenses		
Cost of property sold.....	6,092,000	10,201,000
Operating and other expense.....	9,474,000	7,514,000
Total Costs and Expenses.....	15,566,000	17,715,000
Earnings		
Before interest and Federal income taxes.....	3,906,000	5,436,000
Interest and debt expense.....	1,564,000	1,051,000
Federal income taxes.....	1,028,000	1,950,000
Total Earnings.....	2,592,000	3,001,000
NET EARNINGS		
Retained Earnings		
For the year.....	1,314,000	2,435,000
From prior years.....	6,111,000	3,676,000
Total Retained Earnings.....	\$7,425,000	\$6,111,000

CONDENSED CONSOLIDATED BALANCE SHEET

	December 31	
	1969	1968
Assets		
Cash.....	\$4,953,000	\$5,498,000
Accounts, rents and interest receivable.....	2,463,000	1,570,000
Mortgage notes and contracts receivable.....	25,929,000	24,249,000
Real estate held for development and resale.....	72,203,000	60,714,000
Operating property, less accumulated depreciation.....	31,045,000	17,607,000
Investment in 50% owned subsidiary.....	—	3,233,000
Deferred charges and other assets.....	2,379,000	2,087,000
Total Assets.....	\$138,972,000	\$114,958,000
Liabilities		
Accounts payable and accrued expenses.....	\$3,905,000	\$3,105,000
Debt due within one year.....	8,309,000	3,246,000
Long term debt due after one year.....	50,725,000	32,516,000
Deferred credits.....	4,622,000	6,133,000
Total Liabilities.....	67,561,000	45,000,000
Shareholders' Equity		
Common stock—\$1 par value	6,045,000	6,022,000
Auth.: 8,550,000 shs., issued 6,045,013 shs. (6,021,913 in 1968)	57,941,000	57,825,000
Additional paid-in capital.....	7,425,000	6,111,000
Retained earnings.....	71,411,000	69,958,000
Total Shareholders' Equity.....	\$138,972,000	\$114,958,000
Total Liabilities and Shareholders' Equity.....		

Note: Arvida Corporation and its subsidiaries are included in the consolidated financial statements of Pennsylvania Company.

BUCKEYE PIPE LINE COMPANY AND SUBSIDIARY

SUMMARY OF CONSOLIDATED EARNINGS AND RETAINED EARNINGS

		Year Ended December 31	
		1969	1968
Current Earnings Income	Transportation revenues.....	\$35,636,000	\$34,741,000
	Other operating revenue.....	1,714,000	640,000
	Interest, dividends and miscellaneous.....	295,000	367,000
	Total Income.....	37,645,000	35,748,000
Expenses	Operating expenses.....	21,941,000	18,947,000
	Interest and debt expenses.....	3,482,000	2,989,000
	Total Expenses.....	25,423,000	21,936,000
NET EARNINGS	For the Year.....	12,222,000	13,812,000
Retained Earnings	From prior years.....	50,940,000	44,018,000
	Total Available.....	63,162,000	57,830,000
	Dividends—Preferred.....	570,000	590,000
	—Common.....	6,300,000	6,300,000
	Total dividends.....	6,870,000	6,890,000
	Total Retained Earnings.....	\$56,292,000	\$50,940,000

CONDENSED CONSOLIDATED BALANCE SHEET

		December 31	
		1969	1968
Assets	Cash and temporary cash investments.....	\$463,000	\$1,326,000
	Other current assets.....	10,208,000	10,117,000
	Investments and advances.....	499,000	499,000
	Properties, less accumulated depreciation.....	152,489,000	146,713,000
	Other assets.....	559,000	522,000
	Total Assets.....	\$164,218,000	\$159,177,000
Liabilities	Current liabilities.....	\$10,201,000	\$8,784,000
	Debt due within one year.....	7,466,000	5,383,000
	Long term debt due after one year.....	61,107,000	63,566,000
	Other liabilities and deferred credits.....	3,771,000	4,623,000
	Total Liabilities.....	82,545,000	82,356,000
Shareholders' Equity	Preferred stock—\$100 par value Authorized: 250,000 shares, issued 95,000 shs. (100,000 in 1968).....	9,000,000	9,500,000
	Common stock—no par value Authorized and issued: 14,000 shares.....	14,177,000	14,177,000
	Capital surplus.....	2,204,000	2,204,000
	Retained earnings.....	56,292,000	50,940,000
	Total Shareholders' Equity.....	81,673,000	76,821,000
	Total Liabilities and Shareholders' Equity.....	\$164,218,000	\$159,177,000

Note: Buckeye Pipe Line Company and its subsidiary are included in the consolidated financial statements of Pennsylvania Company.

DETROIT, TOLEDO & IRONTON RAILROAD COMPANY

SUMMARY OF EARNINGS AND RETAINED EARNINGS

		Year Ended December 31	
		1969	1968
Current Earnings Income	Railway operating revenues.....	\$31,209,000	\$28,527,000
	Nonoperating income—net.....	2,313,000	1,068,000
	Total Income.....	33,522,000	29,595,000
Expenses	Railway operating expenses.....	22,812,000	20,452,000
	Taxes other than Federal income.....	2,516,000	2,199,000
	Equipment and joint facility rents—net.....	2,600,000	2,462,000
	Interest on debt.....	1,369,000	1,577,000
	Total Expenses.....	29,297,000	26,690,000
NET EARNINGS	For the Year.....	4,225,000	2,905,000
Retained Earnings	From prior years.....	28,012,000	25,843,000
	Total Available.....	32,237,000	28,748,000
	Dividends.....	1,472,000	736,000
	Total Retained Earnings.....	\$30,765,000	\$28,012,000

CONDENSED BALANCE SHEET

		December 31	
		1969	1968
Assets	Cash.....	\$ 1,045,000	\$2,749,000
	Other current assets.....	11,615,000	10,255,000
	Investments and advances.....	11,920,000	9,594,000
	Properties, less accumulated depreciation.....	70,204,000	71,325,000
	Other assets and deferred charges.....	690,000	920,000
	Total Assets.....	\$95,474,000	\$94,843,000
Liabilities	Current liabilities.....	\$11,034,000	\$9,929,000
	Debt due within one year.....	2,692,000	2,692,000
	Long term debt due after one year.....	26,005,000	28,999,000
	Reserves, deferred credits and other liabilities.....	444,000	678,000
	Total Liabilities.....	40,175,000	42,298,000
Shareholders' Equity	Common stock—\$100 par value Authorized and issued: 245,336 shares less 3 shares in Treasury.....	24,533,000	24,533,000
	Retained earnings.....	30,766,000	28,012,000
	Total Shareholders' Equity.....	55,299,000	52,545,000
	Total Liabilities and Shareholders' Equity.....	\$95,474,000	\$94,843,000

Note: Detroit, Toledo & Ironton Railroad Company is included in the consolidated financial statements of Pennsylvania Company.

GREAT SOUTHWEST CORPORATION AND CONSOLIDATED SUBSIDIARIES
SUMMARY OF CONSOLIDATED EARNINGS AND RETAINED EARNINGS

		Year Ended December 31	
		1969	1968
Current Earnings	Income		
Sales.....		\$120,668,000	\$104,827,000
Operating revenues.....		12,949,000	23,405,000
Net earnings from joint ventures.....		1,900,000	2,382,000
Interest and other income.....		8,721,000	2,740,000
Total Income.....		144,238,000	133,354,000
Costs and Expenses			
Cost of sales and selling expenses.....		66,163,000	72,009,000
Operating and other expenses.....		20,863,000	24,504,000
Interest and debt expenses.....		5,669,000	3,880,000
Total Costs and Expenses.....		92,695,000	100,393,000
Earnings			
Before income taxes and extraordinary items.....		51,543,000	32,961,000
Federal and state income taxes.....		17,180,000	7,399,000
Earnings before extraordinary items.....		34,363,000	25,562,000
Extraordinary item.....		—	1,863,000
For the year.....		34,363,000	27,425,000
From prior years.....		39,700,000	14,217,000
Conversion cost of common stock acquired and retired.....		(250,000)	
Total Available.....		74,063,000	41,392,000
Dividends—Preferred.....		1,187,000	541,000
—Common.....		2,656,000	1,151,000
Total Dividends.....		3,843,000	1,692,000
Total Retained Earnings.....		\$70,220,000	\$39,700,000
CONDENSED CONSOLIDATED BALANCE SHEET			
		December 31	
		1969	1968
Assets			
Cash.....		\$8,272,000	\$4,721,000
Receivables.....		189,892,000	119,542,000
Inventories and prepayments.....		2,494,000	681,000
Investments and advances.....		13,422,000	14,681,000
Property held for resale.....		104,153,000	81,954,000
Operating properties, less accumulated depreciation.....		36,113,000	36,639,000
Deferred charges and other assets.....		9,169,000	3,589,000
Cost of acquired subsidiaries in excess of book value of net assets.....		28,921,000	16,661,000
Total Assets.....		\$392,436,000	\$278,468,000
Liabilities			
Accounts payable and accrued liabilities.....		\$9,464,000	\$9,875,000
Bonds, mortgages and notes payable.....		177,372,000	121,226,000
Amounts payable to parent.....		—	13,916,000
Federal and state income taxes.....		30,556,000	15,886,000
Deferred credits and other liabilities.....		17,330,000	16,444,000
Total Liabilities.....		234,722,000	177,347,000
Shareholders' Equity			
Preferred Stock, Cumulative \$10 par value.....		23,743,000	31,896,000
Voting.....		5,000,000	5,000,000
Nonvoting.....		—	—
Common Stock—\$10 par value (\$1. in 1968) Authorized: 100,000,000 shs., issued 27,993,136 shs. (1,801,053 in 1968).....		2,799,000	1,801,000
Capital surplus.....		55,952,000	22,724,000
Retained earnings.....		70,220,000	39,700,000
Total Shareholders' Equity.....		157,714,000	101,121,000
Total Liabilities and Shareholders' Equity.....		\$392,436,000	\$278,468,000

Notes: Great Southwest Corporation and its consolidated subsidiaries are included in the consolidated financial statements of Pennsylvania Company.

Macco Corp. merged into a wholly-owned subsidiary of Great Southwest Corp. in March, 1969. Since the transaction was accounted for as a pooling of interest, financial position and results of operations are presented as though the Companies had been combined for entire year of 1968.

The Company changed its election with respect to the reporting of income for Federal income tax purposes on certain sales of Macco Corporation and its subsidiaries. As a result, income which the Company had intended to report on the instalment basis was all reported in 1968 taxable income. Accordingly, deferred taxes were decreased and net earnings for 1968 were increased by \$7,437,000 over amounts previously reported.

THE PITTSBURGH AND LAKE ERIE RAILROAD COMPANY

SUMMARY OF EARNINGS AND RETAINED EARNINGS

		Year Ended December 31	
		1969	1968
Current Earnings	Income	Railway operating revenues.....	\$38,405,000
Costs and Expenses		Nonoperating income—net.....	1,595,000
Earnings		Total Income.....	40,000,000
NET EARNINGS		Railway operating expenses.....	34,423,000
Retained Earnings		Railway taxes.....	4,249,000
		Equipment and joint facility rents—net credit.....	(17,931,000)
		Interest on debt.....	1,399,000
		Total Expenses.....	22,140,000
		Before Federal income taxes.....	17,860,000
		Federal income taxes.....	7,507,000
		For the year.....	10,353,000
		From prior years.....	99,980,000
		Total Available.....	110,333,000
		Dividends.....	4,961,000
		Total Retained Earnings.....	\$105,372,000
			\$99,980,000

CONDENSED BALANCE SHEET

		December 31	
		1969	1968
Assets		Cash and temporary cash investment.....	\$12,136,000
		Other current assets.....	10,706,000
		Investments and advances.....	14,116,000
		Properties, less accumulated depreciation.....	203,445,000
		Other assets and deferred charges.....	833,000
		Total Assets.....	\$241,236,000
Liabilities		Current Liabilities.....	\$18,913,000
		Debt due within one year.....	5,669,000
		Long term debt due after one year.....	17,934,000
		Deferred Federal income taxes.....	51,459,000
		Reserves, deferred credits and other liabilities.....	1,176,000
		Total Liabilities.....	95,151,000
Shareholders' Equity		Capital stock—\$50 par value.....	
		Authorized 900,000 shs., issued 730,776 shs., less 22,138 shs. in treasury.....	35,432,000
		Additional paid-in surplus.....	5,281,000
		Retained earnings.....	105,372,000
		Total Shareholders' Equity.....	146,085,000
		Total Liabilities and Shareholders' Equity.....	\$241,236,000
			\$239,041,000

Notes: The Pittsburgh and Lake Erie Railroad Company is included in the consolidated financial statements of Penn Central Company.